

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL MEMORANDUM

SB 297 – HB 666

April 7, 2017

SUMMARY OF ORIGINAL BILL: Creates a cost threshold of \$1,500 for medical care services before a party could avail themselves of appeal procedures pursuant to the administrator's system of utilization review.

Grants the employee the right to file a petition to toll the statute of limitations at any time after the occurrence of an injury, but before the expiration of the period for which benefits are sought.

Requires that the physicians, surgeons, chiropractors or specialty practice groups included on the employer's medical review panel not be associated in practice together.

Increases, from \$7,500 to \$10,000, the maximum amount to be paid by an employer for burial expenses in a case where death results from injury or occupational disease. Authorizes the employee to seek increased benefits, if at the time the period of compensation ends, the employee has not returned to work with the pre-injury employer or has returned to work and is receiving wages or a salary that is less than 100 percent of the wages or salary the employee received from the employee's pre-injury employer on the date of injury.

FISCAL IMPACT OF ORIGINAL BILL:

Decrease State Revenue – Net Impact –
\$100,000/Bureau of Worker's Compensation

Increase State Expenditures – \$353,900/General Fund

IMPACT TO COMMERCE OF ORIGINAL BILL:

Increase Business Expenditures – \$2,500/Each Burial Instance

SUMMARY OF AMENDMENT (006776): Deletes all language after the enacting clause. Changes guidelines in which an appeal procedure pursuant to the administrator's system of utilization review is reviewed. Specifies that all recommended invasive procedures be subject to utilization review at any time. Requires that the physicians, surgeons, chiropractors or specialty practice groups included on the employer's medical review panel not be associated in practice together. Increases, from \$7,500 to \$10,000, the maximum amount to be paid by an employer for burial expenses in a case where death results from injury or occupational disease.

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FISCAL IMPACT OF BILL WITH PROPOSED AMENDMENT:

NOT SIGNIFICANT

Assumptions for the bill as amended:

- The provisions of the legislation are not expected to increase or decrease the number of workers' compensation cases brought before the administrator's utilization review.
- The Bureau of Workers' Compensation confirms the legislation's fiscal impact is considered not significant.
- All other provisions of the legislation are projected to be borne by private parties and will have a not significant impact on state and local governments.

IMPACT TO COMMERCE WITH PROPOSED AMENDMENT:

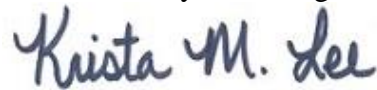
Unchanged from the original fiscal note.

Assumptions for the bill as amended:

- Increasing from \$7,500 to \$10,000, the maximum amount for burial expenses in a case that result in death is expected to increase business expenditures by \$2,500 in each burial instance.
- The provisions of the legislation are not expected to impact jobs in Tennessee.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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